UNITED NATIONS

A

General Assembly

Distr.
GENERAL

A/47/718/Add.2
17 December 1992

ORIGINAL: ENGLISH

Forty-seventh session
Agenda item 78 (a)

DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION: TRADE AND DEVELOPMENT

Report of the Second Committee (Part III)*

Rapporteur: Mr. Walter BALZAN (Malta)

I. INTRODUCTION

1. The Second Committee held a substantive debate on item 78 (see A/47/718, para. 2). Action to be taken on sub-item (a) was considered at the 40th, 42nd, 43rd and 48th to 51st meetings, on 16, 18, 19 November and 7, 9, 11 and 16 December 1992. An account of the Committee's consideration of the sub-item is contained in the relevant summary records (A/C.2/47/SR.40, 42, 43 and 48-51).

II. CONSIDERATION OF PROPOSALS

A. Draft resolution A/C.2/47/L.24

2. At the 48th meeting, on 7 December, the Chairman of the Committee introduced a draft resolution entitled "International code of conduct on the transfer of technology" (A/C.2/47/L.24).

3. The Committee was informed that the draft resolution had no programme budget implications.

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* The report of the Committee on this item will be issued in seven parts (see also A/47/718 and Add.1 and 3-6).

4. At the same meeting, the representative of the United Kingdom of Great Britain and Northern Ireland, on behalf of the States Members of the United Nations that are also members of the European Community, made a statement (see A/C.2/47/SR.48).

5. The Committee then adopted draft resolution A/C.2/47/L.24 without a vote (see para. 42, draft resolution I).

B. Draft resolutions A/C.2/47/L.30 and L.82

6. At the 42nd meeting, on 18 November, the representative of Pakistan, on behalf of the States Members of the United Nations that are also members of the Group of 77, introduced a draft resolution entitled "Eighth session of the United Nations Conference on Trade and Development" (A/C.2/47/L.30), which read as follows:

> "The General Assembly,
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> "Reaffirming the importance and continued validity of the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, 1/ the International Development Strategy for the Fourth United Nations Development Decade, 2/ the United Nations New Agenda for the Development of Africa in the 1990s, 3/ the Programme of Action for the Least Developed Countries for the 1990s 4/ and the various agreements, especially Agenda 21, 5/ that were adopted during the process of the United Nations Conference on Environment and Development,
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> "Recalling its resolution 1995 (XIX) of 30 December 1964, as amended, 6/ on the establishment of the United Nations Conference on Trade and Development as an organ of the General Assembly, and its

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1/ Resolution S-18/3, annex.

2/ Resolution 45/199, annex.

3/ Resolution 46/151, annex, sect. II.

4/ Report of the Second United Nations Conference on the Least Developed Countries, Paris, 3-14 September 1990 (A/CONF.147/18), part one.

5/ See Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992 (A/CONF.151/26), vols. I, II and Corr.1, and III.

6/ See resolutions 2904 (XXVII), 31/2 A and B and 34/3.

resolution 45/261 of 3 May 1991 in which it decided to convene the eighth session of the Conference at Cartegena de Indias, Colombia, from 8 to 25 February 1992,

"Having considered the final documents adopted by the United Nations Conference on Trade and Development at its eighth session, held at Cartagena de Indias, Colombia, from 8 to 25 February 1992, in particular the Declaration and the document entitled "A New Partnership for Development: The Cartagena Commitment", 7/ and noting with satisfaction the highly successful outcome of the eighth session of the United Nations Conference on Trade and Development and the spirit of genuine cooperation and solidarity - the Spirit of Cartagena - that emerged therefrom,

"Expressing its deep gratitude to the Government and the people of Colombia for the hospitality extended to the participants at the eighth session of the United Nations Conference on Trade and Development and for the facilities for holding the session,

"Noting the importance of follow-up and of keeping under review the implementation of the policies and measures adopted by the United Nations Conference on Trade and Development at its eighth session,

"Emphasizing that the concerns of the developing countries on trade and development issues, on the current world economic stagnation and on the difficult trends of the development environment deserve the continuous attention of the world community,

"Affirming the importance of achieving a sustained recovery of the world economy and the rapid expansion of international trade that is supportive of economic growth and development, in particular that of developing countries,

"Recognizing the leading role and responsibility of developed countries in promoting conditions conducive to world economic recovery and the promotion of sustained economic growth and development,

"Reaffirming, in this context, the need to give priority to problems facing the least developed countries owing to the fragility of their economies and their particular vulnerability to external shocks and natural calamities,

"Urging accordingly developed countries to take fully into account the international implications of their policy decisions, in particular their impact on developing countries,

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7/ TD/364, part one, sect. A.

"Reiterating that the Uruguay Round of multilateral trade negotiations should result in a substantial and balanced outcome in all areas involved, in particular areas of special importance to developing countries, and expressing deep concern that the current negotiation position of some developed countries does not permit a successful conclusion of such negotiations,

I

"1. Welcomes the results achieved by the United Nations Conference on Trade and Development at its eighth session which are commensurate with the dimension of the problems confronting the world economy as a whole and in particular those of the developing countries;

"2. Endorses all commitments adopted by the United Nations Conference on Trade and Development at its eighth session and emphasizes the importance of the new partnership for development, initiated by the Conference at its eighth session, for developing common approaches related to the international economic agenda of the 1990s;

"3. Expresses its political will and responsibility with respect to ensuring that the agreed commitments embodied in "A New Partnership for Development: The Cartagena Commitment" 7/ are translated into reality;

"4. Welcomes the far-reaching institutional reform measures adopted by the Conference at its eighth session regarding the functions, intergovernmental machinery, methods of work and substantive orientations of the United Nations Conference on Trade and Development, and agrees that those measures are a valuable contribution to the process of restructuring the economic and social sectors of the United Nations launched by the General Assembly;

"5. Reaffirms the important role of the United Nations Conference on Trade and Development, as the principal organ of the General Assembly in the field of trade and development and as the most appropriate forum within the United Nations for the integrated treatment of development and interrelated issues in key areas including trade, finance, investment, services and technology, in the interests of all countries, particularly those of developing countries;

"6. Welcomes the comprehensive refocusing of the substantive work of the United Nations Conference on Trade and Development on four areas, namely, a new partnership for development, global interdependence, paths to development and sustainable development, which should serve as a guide for pursuing the new lines of work, in particular on commodities, poverty alleviation, services development, economic cooperation among developing countries, investment and financial flows, privatization, trading opportunities for developing countries, investment, transfer of technology and trade efficiency;

"7. Requests the United Nations Conference on Trade and Development to play an important role in the implementation of Agenda 21, 5/ and, in this context, further requests the Conference to work closely and coordinate its activities with the Commission on Sustainable Development;

"8. Stresses that the United Nations Conference on Trade and Development has an important role to play in facilitating and ensuring the access, in particular that of the developing countries, to scientific and technological information and to the application of environmentally sound technologies that have an impact on the capacity-building efforts and development of the developing countries;

"9. Stresses the important contribution that the United Nations Conference on Trade and Development can make to sustainable development, inter alia, on trade-related environmental issues and policies, bearing in mind that trade policy measures for environmental purposes should not constitute a means of discrimination, protectionism or a disguised restriction on international trade, as this would affect the export and development efforts of the developing countries;

"10. Requests the Trade and Development Board and the subsidiary organs of the United Nations Conference on Trade and Development to intensify their efforts towards the effective and full implementation of the outcome of the eighth session of the Conference;

"11. Invites all organs, organizations and bodies of the United Nations system to respond positively to the requests addressed to them in the relevant parts of the commitments of the United Nations Conference on Trade and Development at its eighth session;

II

"12. Takes note of the reports of the Trade and Development Board on the second part of its thirty-eighth session, 8/ the first part of its thirty-ninth session 9/ and its first pre-sessional executive session; 10/

"13. Calls upon all States to take appropriate action to implement at the national, regional and international levels the resolutions and decisions as adopted by the Trade and Development Board at the second part of its thirty-eighth session and the first part of its thirty-ninth session;

8/ A/47/15 (vol. I).

9/ A/47/15 (vol. II).

10/ TD/B/EX(1)/4.

"14. Expresses its satisfaction with the action initiated by the Trade and Development Board for the implementation of the new institutional arrangements, and of the substantive orientations agreed upon by the United Nations Conference on Trade and Development, and welcomes Trade and Development Board decision 398 (XXXVIII) of 7 May 1992 on the follow-up to the recommendations adopted by the Conference at its eighth session; 11/

"15. Takes note of the agreement by the United Nations Conference on Trade and Development at its eighth session to suspend the existing Committees of the Trade and Development Board, with the exception of the Special Committee on Preferences and of the Intergovernmental Group of Experts on Restrictive Business Practices;

"16. Endorses the establishment and the terms of reference of the new standing committees on commodities, poverty alleviation, economic cooperation among developing countries, and developing services sectors, and of the new ad hoc working groups on investment and financial flows, trade efficiency, comparative experiences with privatization, expansion of trading opportunities for developing countries, and interrelationship between investment and technology transfer, as well as the convening of executive sessions of the Trade and Development Board aimed at strengthening its policy function;

"17. Takes note of the establishment by the Trade and Development Board of an ad hoc working group to explore the issue of structural adjustment for the transition to disarmament;

"18. Welcomes the streamlining and strengthening of the intergovernmental machinery of the United Nations Conference on Trade and Development and the improvement of methods of work aimed at providing an enriched substantive and technical basis for policy discussion, negotiation and decisions, as agreed at the eighth session of the Conference;

"19. Notes that the priorities assigned by the Trade and Development Board encompass new areas of work, including poverty alleviation, sustainable development, privatization, entrepreneurship, competitiveness and trade efficiency;

"20. Endorses the convening of a United Nations international symposium on trade efficiency in 1994 of one week's duration and requests the Secretary-General of the United Nations Conference on Trade and Development to make all the necessary arrangements for that symposium;

11/ A/47/15 (vol. I), chap. II.

"21. Takes note of the valuable contribution made by the Trade and Development Board, underpinned by the Trade and Development Report, 1992, 12/ to the understanding of issues concerning global interdependence and the international implications of macroeconomic policies with particular reference to the recent evolution of development problems and prospects, and welcomes the outcome of the deliberations of the Board on this matter;

"22. Also takes note of the recognition on the part of the Trade and Development Board that national transparent mechanisms could be an important instrument in the fight against protectionism, and requests the Board to give attention to developments in this regard and to the provision of relevant technical cooperation by the secretariat of the United Nations Conference on Trade and Development to interested countries;

III

"23. Calls upon the international community to exert every effort to adopt and implement the measures necessary for the revitalization of the development process in the developing countries, in pursuit of the objective of revitalizing international trade, sustained economic growth and development;

"24. Urges the developed countries to fulfil their commitments to halt and reverse protectionism and trade distorting measures, including reprehensive trade practices, and to take expeditious and concrete measures conducive, in particular, to promoting greater market access for exports of developing countries;

"25. Urges all countries, in particular developed countries, to reach a final agreement on the remaining issues of the Uruguay Round, and reaffirms that the balanced, equitable, meaningful and satisfactory conclusion of the multilateral trade negotiations is crucial, and is needed to fulfil responsibilities in strengthening the rules and disciplines of the international trading system and to enhance significantly the prospects for trade, economic growth and development of all countries, especially developing countries;

"26. Invites the Trade and Development Board to continue to follow closely developments and issues in the Uruguay Round that are of particular concern to the developing countries;

12/ United Nations publication, Sales No. E.92.II.D.7.

"27. Also invites the Trade and Development Board to continue to follow closely developments regarding economic integration processes, taking into account that such processes should impart dynamism to global trade and enhance trade and development possibilities, particularly for the developing countries."

7. A statement on the programme budget implications of draft resolution A/C.2/47/L.30, submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly, was contained in document A/C.2/47/L.45.

8. At its 50th meeting, on 11 December, the Vice-Chairman of the Committee, Miss Maymouna Diop (Senegal), introduced a draft resolution (A/C.2/47/L.82) submitted by her on the basis of informal consultations held on draft resolution A/C.2/47/L.30 and orally corrected the English version by replacing the word "comparative" by "cooperative" in operative paragraph 1.

9. The Committee was informed that the programme budget implications in document A/C.2/47/L.45 also applied to draft resolution A/C.2/47/L.82.

10. At the same meeting, the Committee adopted draft resolution A/C.2/47/L.82, as orally corrected, without a vote (see para. 42, draft resolution II).

11. In the light of the adoption of draft resolution A/C.2/47/L.82, draft resolution A/C.2/47/L.30 was withdrawn by its sponsors.

C. Draft resolutions A/C.2/47/L.31 and L.70

12. At the 40th meeting, on 16 November, the representative of Pakistan, on behalf of the States Members of the United Nations that are also members of the Group of 77, introduced a draft resolution entitled "Strengthening international organizations in the area of multilateral trade" (A/C.2/47/L.31), which read as follows:

"The General Assembly,

"Reaffirming the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, 13/ and the International Development Strategy for the Fourth United Development Decade, 14/

"Recalling its resolutions 45/201 of 21 December 1990 and 46/207 of 20 December 1991,

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13/ Resolution S-18/3, annex.

14/ Resolution 45/199, annex.

"Welcoming the successful outcome of the eighth session of the United Nations Conference a Trade and Development, in particular the organization's institutional reforms, and reaffirming in this regard the mandate and important role of the Conference in the international trading system,

"Taking note of the progress report by the Secretary-General concerning institutional developments related to the strengthening of international organizations in the area of multilateral trade, 15/

"Deeply concerned about the lack of progress in, and the still unclear prospects for the conclusion of, the Uruguay Round of multilateral trade negotiations,

"1. Once again urges all Governments and the executive heads of the specialized agencies and other organizations and programmes of the United Nations system to endeavour to present their views to the Secretary-General on this matter;

"2. Requests the Secretary-General to prepare, for submission to the General Assembly at its forty-eighth session, an updated report taking into account the positive outcome and developments of the eighth session of the United Nations Conference on Trade and Development and the developments in the Uruguay Round of multilateral trade negotiations, on the assumption that the Uruguay Round will have been concluded by that time."

13. At its 49th meeting, on 9 December, the Committee had before it draft resolution A/C.2/47/L.70, submitted by the Vice-Chairman of the Committee, Miss Maymouna Diop (Senegal), on the basis of informal consultations held on draft resolution A/C.2/47/L.31.

14. The Committee was informed that the draft resolution had no programme budget implications.

15. At the same meeting, the Committee adopted draft resolution A/C.2/47/L.70 without a vote (see para. 42, draft resolution III).

16. In the light of the adoption of draft resolution A/C.2/47/L.70, draft resolution A/C.2/47/L.31 was withdrawn by its sponsors.

15/ A/47/410.

D. Draft resolutions A/C.2/47/L.32 and L.69

17. At the 42nd meeting, on 18 November, the representative of Pakistan, on behalf of the States Members of the United Nations that are also members of the Group of 77, introduced a draft resolution entitled "Commodities" (A/C.2/47/L.32), which read as follows:

"The General Assembly,

"Recalling its resolution 1995 (XIX) of 20 December 1964, as amended, 16/ on the establishment of the United Nations Conference on Trade and Development, Conference resolutions 93 (IV) of 30 May 1976 on the Integrated Programme for Commodities, 17/ 124 (V) of 3 June 1979, 18/ and 155 (VI) and 157 (VI) of 2 July 1983, 19/ the Final Act adopted by the Conference at its seventh session, held at Geneva from 9 July to 3 August 1987, 20/ the Agreement Establishing the Common Fund for Commodities, 21/ which entered into force on 19 June 1989, and A New Partnership for Development: The Cartagena Commitment, 22/ adopted by the Conference at its eighth session, held at Cartagena de Indias, Colombia, from 8 to 25 February 1992,

"Recalling also its resolutions 41/168 of 5 December 1986, 43/27 of 18 November 1988, 44/218 of 22 December 1989 and 45/200 of 21 December 1990,

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16/ See resolutions 2904 (XXVII), 31/2 A and B and 34/3.

17/ See Proceedings of the United Nations Conference on Trade and Development, Fourth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.76.II.D.10 and corrigendum), part one, sect. A.

18/ Ibid., Fifth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.79.II.D.14), part one, sect. A.

19/ Ibid., Sixth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.83.II.D.6), part one, sect. A.

20/ Ibid., Seventh Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.88.II.D.1), part one, sect. A.1.

21/ United Nations publication, Sales No. E.81.II.D.8 and corrigendum.

22/ TD/364, part one, sect. A.

"Recalling further the Rio Declaration on Environment and Development, adopted by the United Nations Conference on Environment and Development, held at Rio de Janeiro, Brazil, from 3 to 14 June 1992, 23/ and welcoming the importance attached in Agenda 21 24/ to issues related to commodities in the context of sustainable development,

"Recognizing that commodity exports continue to play a key role in the economies of developing countries as a whole, as a major source of export earnings, investment and livelihood,

"Concerned that the prevalence of declining real prices for most commodities is associated with instability and shortfalls in export earnings,

"Concerned also about the difficulties experienced by developing countries in financing and implementing diversification programmes,

"Convinced that convening a world conference on commodities could bring together producers, consumers, marketing enterprises and other market actors, which would contribute to the shaping of a coherent international commodity strategy that would take into account the specific problems of selected commodity sectors,

"Welcoming the agreed conclusions establishing the work programme of the Standing Committee on Commodities,

"1. Takes note with interest of the report of the Secretary-General of the United Nations Conference on Trade and Development on world commodity trends and prospects, with particular emphasis on commodity-dependent developing countries in the light of the outcome of the eighth session of the United Nations Conference on Trade and Development; 25/

"2. Stresses that the solution to the commodity problem calls for sound, compatible and consistent policies at the national and international levels, bearing in mind the spirit and the broad aims of the Integrated Programme for Commodities;

"3. Urges producers and consumers of individual commodities to continue to explore ways and means of reinforcing their cooperation and to participate actively in international commodity agreements and arrangements in order to achieve more efficient international commodity cooperation;

23/ A/CONF.151/26 (vol. I), chap. I, resolution 1, annex I.

24/ Ibid., annex II.

25/ A/47/398 and Corr.1

"4. Welcomes the decision taken by the United Nations Conference on Trade and Development at its eighth session with a view to convening a world conference on commodities, which could contribute to shaping a coherent international commodity strategy, and would, inter alia, promote increased active participation in and better use of forums of consumers and producers as a means of exchanging information on investment plans, prospects and markets for individual commodities, and facilitate direct contacts among the partners involved, and, in this context, requests the Secretary-General of the United Nations Conference on Trade and Development to initiate feasibility studies and arrangements in order to prepare for the convening of a world conference on commodities at the earliest possible date;

"5. Expresses its conviction that supportive international policies to improve the functioning of commodity markets by improving the efficiency and transparency of price formation mechanisms, including commodity exchanges and the use of commodity price risk management instruments, and the creation of more stable and predictable conditions in commodity trade contribute significantly to the efforts of commodity-dependent developing countries to revitalize their development;

"6. Emphasizes the importance of maximizing the contribution of the commodity sector to economic growth and transformation in commodity-dependent developing countries by ensuring that development in the commodity sector contributes effectively to the generation of growth and development in other sectors of the economy, as well as to the eradication of poverty, and, in this context, stresses the importance of the diversification efforts of commodity-exporting developing countries;

"7. Requests the Secretary-General to identify, on the basis of relevant national experiences, potential developmental linkages between the commodity sector and other sectors of the economy, as well as actions required at the national and international levels to establish and develop such linkages in the context of an effective diversification policy, and to include that information in his report to the General Assembly at its forty-ninth session;

"8. Stresses the urgent need to strengthen efforts to address the grave problem of shortfalls in the commodity export earnings of developing countries, and urges the Standing Committee on Commodities to pursue the issue of export-earning shortfalls and compensatory financing at its future sessions;

"9. Reiterates once again its conviction that more stable market conditions and fair prices for commodities would be conducive to the social and economic development of developing countries and could, inter alia, contribute to the international campaign against illicit production of, trafficking in and abuse of narcotic drugs, thus supporting the efforts undertaken by countries to combat such illicit activities;

"10. Emphasizes that, in line with Agenda 21, sustainable development of the commodity sector requires, inter alia, the reflection of environmental and resource costs in prices, improvements in the market access and competitiveness of natural products from developing countries, with environmental advantages, and improvements in their access to international financial and technical support, including environmentally sound technologies to cope with environmental problems specific to commodity production and processing;

"11. Once again urges all the parties involved, especially those developed countries that have not yet done so, to meet their agreed commitments and to work for a balanced, equitable, meaningful and satisfactory outcome to the multilateral trade negotiations within the Uruguay Round so as to ensure that the successful conclusion of the negotiations brings about further expansion and liberalization of trade in commodities, taking into account the special and differential treatment for developing countries, as well as all other principles contained in the Ministerial Declaration on the Uruguay Round; 26/

"12. Notes with satisfaction the establishment of the Common Fund for Commodities, the voluntary contributions pledged by countries that are members of the Common Fund and the hope expressed by the member countries that further contributions will be forthcoming;

"13. Also notes that the Second Account of the Common Fund for Commodities has started operations, and expresses the hope that further contributions to this Account will be forthcoming;

"14. Invites all members of the Common Fund for Commodities to exploit fully the resources of the Fund by submitting projects for enhancing the commodity sector;

"15. Notes that it is the desire of the members of the Common Fund that countries, particularly major exporters and consumers of commodities, that have not yet ratified the Agreement Establishing the Common Fund for Commodities 21/ should do so as soon as possible;

"16. Decides to include the question of commodities in the provisional agenda of its forty-ninth session."

18. At its 48th meeting, on 7 December, the Committee had before it draft resolution A/C.2/47/L.69, submitted by the Vice-Chairman of the Committee, Miss Maymouna Diop (Senegal), on the basis of informal consultations held on draft resolution A/C.2/47/L.32.

26/ See GATT, Focus Newsletter, No. 41, October 1986.

19. The Committee was informed that the draft resolution had no programme budget implications.

20. At the same meeting, the representative of the United States of America orally amended draft resolution A/C.2/47/L.69 by deleting the words "the spirit and" from operative paragraph 3 (see A/C.2/47/SR.48).

21. At the same meeting, the Committee adopted draft resolution A/C.2/47/L.69, as orally amended, without a vote (see para. 42, draft resolution IV).

22. In the light of the adoption of draft resolution A/C.2/47/L.69, draft resolution A/C.2/47/L.32 was withdrawn by its sponsors.

E. Draft resolutions A/C.2/47/L.33 and L.68

23. At the 40th meeting, on 16 November, the representative of Pakistan, on behalf of the States Members of the United Nations that are also members of the Group of 77, introduced a draft resolution entitled "Specific measures in favour of island developing countries" (A/C.2/47/L.33), which read as follows:

"The General Assembly,

"Recognizing that, in addition to the general problems facing developing countries, many island developing countries experience handicaps arising from the interplay of such factors as their smallness, remoteness, geographical dispersion, vulnerability to natural disasters, the fragility of their ecosystems, constraints on transport and communications, great distances from market centres, a highly limited internal market, lack of natural resources, weak indigenous technological capacity, the acute problem of obtaining freshwater supplies, heavy dependence on imports and a small number of commodities, depletion of non-renewable resources, migration, particularly of personnel with high-level skills, shortages of administrative personnel and heavy financial burdens,

"Recognizing also that many of these factors occur concurrently in island developing countries, resulting in economic and social vulnerability and dependence, particularly in those countries which are small and/or geographically dispersed,

"Mindful of the fact that island developing countries are facing a changing international economic environment in the 1990s which will strongly affect their ability to achieve sustainable development, particularly in small island developing countries which have extremely open and volatile economies,

"Taking note of Agenda 21, which was adopted by the United Nations Conference on Environment and Development, in particular chapter 17, section G, relating to the sustainable development of small island developing States, 27/

"Welcoming the decision to convene a global conference on the sustainable development of small island developing States in 1994,

"1. Reaffirms its resolution 45/202 of 21 December 1990 and other relevant resolutions of the General Assembly and of the United Nations Conference on Trade and Development, and calls for their immediate and effective implementation;

"2. Expresses its appreciation to States and to organizations and bodies within and outside the United Nations system that have responded to the special needs of island developing countries;

"3. Welcomes the initiative of the Secretary-General of the United Nations Conference on Trade and Development in convening a meeting of the Group of Experts on Island Developing Countries in Geneva on 15 and 16 July 1992;

"4. Takes note of the report of the Secretary-General on the specific problems and needs of island developing countries; 28/

"5. Welcomes the efforts made by island developing countries to adopt policies that address their specific problems, including efforts at regional cooperation and integration, and calls upon those countries to continue to pursue, in accordance with their national objectives, policies and priorities, further measures to increase their international competitiveness, to render their economies less vulnerable by developing the capacity to respond to shocks due to natural disasters and external economic changes, and to promote sustainable development;

"6. Appeals to the international community:

(a) To maintain and, if possible, increase the level of concessional financial and technical assistance provided to island developing countries;

(b) To maximize access of island developing countries to concessional financial and technical assistance by taking into account the specific development needs and problems facing those countries;

27/ See A/CONF.151/26 (vol. II).

28/ A/47/414 and Add.1.

(c) To consider reviewing the mechanisms of existing procedures used in providing concessional resources to island developing countries;

(d) To ensure that assistance conforms to the national and, as appropriate, regional priorities of island developing countries;

(e) To provide support to island developing countries over a mutually agreed and, where appropriate, longer time-frame to enable them to achieve economic growth and development;

(f) To consider improving existing arrangements for assisting island developing countries in redressing adverse effects on their export earnings and to consider wider adoption of such arrangements;

(g) To continue to ensure that a concerted effort is made to assist island developing countries, at their request, in improving their administrative capacities and in satisfying their overall needs with regard to the development of human resources;

(h) To avoid giving additional shocks to the economies of island developing countries through sudden alterations in aid and trade policy;

(i) To provide assistance to island developing countries to mitigate the consequences of global warming and sea-level rise;

"7. Calls upon the international community to consider improving measures, within existing trade arrangements, in favour of island developing countries according to their special circumstances, taking into account particularly the special needs and problems of small island developing countries;

"8. Invites island developing countries to intensify further their regional and subregional cooperative arrangements, particularly to address the problem of high-cost economies, by developing, where appropriate, common services to reduce the high per capita costs of infrastructure and public services and by developing regional transport and communications systems;

"9. Urges once again relevant organizations of the United Nations system to take adequate measures to respond positively to the particular needs of island developing countries and to report on such measures, as appropriate;

"10. Urges the United Nations Conference on Trade and Development to strengthen its role within its mandate as the focal point for specific action at the global level in favour of island developing countries and to act as a catalyst in this regard, inter alia, by organizing and facilitating the cross-regional interchange of information and experience in full cooperation with regional and subregional organizations, both within and outside the United Nations system, as appropriate;

"11. Requests the Secretary-General, taking into account work already done on this issue, including that envisaged in paragraph 10 above, to identify within the appropriate inter-agency framework the problems of island developing countries, in particular those of small island developing countries, in order to elaborate specific measures that the international community might take to address those problems;

"12. Also requests the Secretary-General to submit a report to the General Assembly at its forty-ninth session on the implementation of the present resolution."

24. At its 48th meeting, on 7 December, the Committee had before it draft resolution A/C.2/47/L.68, submitted by the Vice-Chairman of the Committee, Miss Maymouna Diop (Senegal), on the basis of informal consultations held on draft resolution A/C.2/47/L.33.

25. The Committee was informed that the draft resolution had no programme budget implications.

26. At the same meeting, the Committee adopted draft resolution A/C.2/47/L.68 without a vote (see para. 42, draft resolution V).

27. After the adoption of the draft resolution, statements were made by the representatives of Finland, also on behalf of Denmark, Iceland, Norway and Sweden; the United States of America; and the United Kingdom of Great Britain and Northern Ireland, on behalf of the States Members of the United Nations that are also members of the European Community (see A/C.2/47/SR.48).

28. In the light of the adoption of draft resolution A/C.2/47/L.68, draft resolution A/C.2/47/L.33 was withdrawn by its sponsors.

F. Draft resolution A/C.2/47/L.35 and Rev.1

29. At the 43rd meeting, on 19 November, the representative of Estonia, on behalf of Afghanistan, Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Czechoslovakia, Estonia, Finland, Iceland, Kazakhstan, Latvia, Lithuania, Poland, the Republic of Moldova, Romania, the Russian Federation, Tajikistan, Turkey, Turkmenistan and Ukraine, introduced a draft resolution entitled "Integration of economies in transition into the world economy" (A/C.2/47/L.35), which read as follows:

"The General Assembly,

"Reaffirming its resolution S-18/3 of 1 May 1990, the annex to which contains the Declaration on International Economic Cooperation, in particular, the Revitalization of Economic Growth and Development of the Developing Countries, which states, inter alia, that, Eastern European countries should be supported in their efforts to integrate themselves into the international economy, and that this will benefit their own people and the rest of the world;

"Further reaffirming its resolution 45/199 of 21 December 1990, the annex to which contains the International Development Strategy for the Fourth United Nations Development Decade, which recognizes that the reform and restructuring of the economies of Eastern Europe and their integration into the world economy can contribute to the strength and dynamism of world trade;

"Recalling the Cartagena Commitment, adopted by the United Nations Conference on Trade and Development at its eighth session, 29/ which states, inter alia, that, early completion of the transformation of the economies of the countries of Central and Eastern Europe into market-based ones would strengthen the emerging new partnership for development;

"Further recalling Agenda 21, 30/ adopted by the United Nations Conference on Environment and Development, which recognizes that economies in transition are facing unprecedented challenges in transforming their economies;

"Aware of the historical dimension of the profound political and economic changes in Central and Eastern European and the newly independent States;

29/ See TD/364, part one, sect. A.

30/ See Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992 (A/CONF.151/26), vols. I, II and Corr.1, and III.

"Also aware of the tremendous problems facing economies in transition in their efforts to transform and restructure their economies;

"Noting that the World Economic Survey, 1992 indicates that the main cause of the decline in 1991 economic output, which was the first decline since the Second World War, was the fall in production in economies in transition;

"1. Recognizes that the full integration of economies in transition into the world economy will have a positive impact on world trade and development;

"2. Further recognizes the need for the international community to support the successful process of bringing about economic reforms and restructuring in the economies in transition;

"3. Requests the Secretary-General to coordinate and strengthen the ability of the United Nations system to conduct analytical and policy advice activities regarding changes that take place in the economies in transition as they integrate into the world economy;

"4. Requests the Secretary-General therefore to prepare within existing resources, with the full cooperation of relevant organizations and bodies of the United Nations system, including the World Bank and the International Monetary Fund, a report on the role of the United Nations system in addressing problems facing economies in transition, including the difficulties that the economies in transition are encountering in their integration into the world economy, and to submit the report to the General Assembly at its forty-eighth session;

"5. Decides to include in the agenda of its forty-eighth session a sub-item entitled 'Integration of economies in transition into the world economy' under the item entitled 'Development and international economic cooperation'."

30. At its 50th meeting, on 11 December, the Committee had before it a revised draft resolution (A/C.2/47/L.35/Rev.1) submitted by the sponsors of draft resolution A/C.2/47/L.35.

31. The Committee was informed that the revised draft resolution had no programme budget implications.

32. At the same meeting, the Committee adopted the revised draft resolution (A/C.2/47/L.35/Rev.1) without a vote (see para. 42, draft resolution VI).

33. After the adoption of the draft resolution, statements were made by the representatives of the United Kingdom of Great Britain and Northern Ireland, on behalf of the States Members of the United Nations that are also members of the European Community, and Estonia.

G. Draft decision contained in document A/C.2/47/L.84

34. At its 51st meeting, on 16 December, the Committee had before it a note by the Secretariat (see A/C.2/47/L.84) which contained a draft decision entitled "Programmes of the United Nations Conference on Trade and Development for the Palestinian people".

35. The Committee was informed that the draft decision had no programme budget implications.

36. At the same meeting, the Chairman informed the Committee that the following delegations had sponsored the draft decision: Afghanistan, Algeria, Egypt, Iraq, Jordan, Malaysia, Mauritania, Morocco, Pakistan, Qatar, the Syrian Arab Republic, Tunisia and Yemen. The representatives of Djibouti and the Sudan informed the Committee that their delegations had also joined in sponsoring the draft decision.

37. The representative of the United Kingdom of Great Britain and Northern Ireland raised a question to which the Vice-Chairman of the Committee, Miss Maymouna Diop (Senegal), responded.

38. Before the adoption of the draft decision the representative of Israel made a statement (see A/C.2/47/SR.51).

39. At the same meeting, the Committee adopted the draft decision by a recorded vote of 133 to 2, with 2 abstentions (see para. 43). The voting was as follows:

In favour: Afghanistan, Algeria, Angola, Antigua and Barbuda, Argentina, Australia, Austria, Azerbaijan, Bahamas, Bahrain, Bangladesh, Barbados, Belarus, Belgium, Benin, Bhutan, Botswana, Brazil, Brunei Darussalam, Bulgaria, Burkina Faso, Cameroon, Canada, Cape Verde, Chile, China, Colombia, Congo, Costa Rica, Côte d'Ivoire, Croatia, Cuba, Cyprus, Czechoslovakia, Democratic Peole's Republic of Korea, Denmark, Djibouti, Ecuador, Egypt, Ethiopia, Fiji, Finland, France, Gabon, Germany, Ghana, Greece, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Hungary, India, Indonesia, Iran (Islamic Republic of), Iraq, Ireland, Italy, Jamaica, Japan, Jordan, Kazakhstan, Kenya, Lao People's Democratic Republic, Latvia, Lebanon, Lesotho, Liberia, Libyan Arab Jamahiriya, Liechtenstein, Lithuania, Luxembourg, Madagascar, Malaysia, Maldives, Mali, Malta, Mauritania, Mexico, Mongolia, Morocco, Myanmar, Namibia, Nepal, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Oman, Pakistan, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Poland, Portugal, Qatar, Republic of Korea, Romania, Russian Federation, Saint Kitts and Nevis, Saudi Arabia, Senegal, Sierra Leone, Singapore, Spain, Sri Lanka, Sudan, Suriname, Sweden, Syrian Arab Republic,

Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukraine, United Arab Emirates, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, Uruguay, Vanuatu, Venezuela, Viet Nam, Yemen, Zambia, Zimbabwe.

Against: Israel, United States of America.

Abstaining: Marshall Islands, Micronesia (Federated States of).

40. After the adoption of the draft decision, statements were made by the representatives of Australia and Canada (see A/C.2/47/SR.51).

41. At the same meeting, the representatives of Burundi and Kuwait informed the Committee that had their delegations been present during the vote, they would have voted in favour of the draft decision.

III. RECOMMENDATIONS OF THE SECOND COMMITTEE

42. The Second Committee recommends to the General Assembly the adoption of the following draft resolutions:

DRAFT RESOLUTION I

International code of conduct on the transfer of technology

The General Assembly,

Recalling its resolution 46/214 of 20 December 1991 on an international code of conduct on the transfer of technology,

1. Takes note of the report of the Secretary-General of the United Nations Conference on Trade and Development on the consultations carried out in 1992 on an international code of conduct on the transfer of technology; 31/

2. Invites the Secretary-General of the United Nations Conference on Trade and Development, in line with the relevant provisions of the Cartagena Commitment, 32/ to continue his consultations with Governments on the future course of action on an international code of conduct and to report to the General Assembly at its forty-eighth session on the outcome of these consultations.

31/ A/47/636, annex.

32/ TD/364, part one, sect. A.

DRAFT RESOLUTION II

Eighth session of the United Nations Conference on Trade and Development

The General Assembly,

Reaffirming the importance and continued validity of the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, 33/ the International Development Strategy for the Fourth United Nations Development Decade, 34/ the United Nations New Agenda for the Development of Africa in the 1990s, 35/ the Programme of Action for the Least Developed Countries for the 1990s 36/ and the various agreements, especially Agenda 21, 37/ that were adopted during the process of the United Nations Conference on Environment and Development,

Recalling its resolution 1995 (XIX) of 30 December 1964, as amended, 38/ on the establishment of the United Nations Conference on Trade and Development as an organ of the General Assembly, and its resolution 45/261 of 3 May 1991, in which it decided to convene the eighth session of the Conference at Cartegena de Indias, Colombia, from 8 to 25 February 1992,

Having considered the final documents adopted by the United Nations Conference on Trade and Development at its eighth session, held at Cartagena de Indias, Colombia, from 8 to 25 February 1992, in particular the Declaration and the document entitled "A New Partnership for Development: The Cartagena Commitment", 32/ and noting with satisfaction the highly successful outcome of the eighth session of the United Nations Conference on Trade and Development and the spirit of genuine cooperation and solidarity - the Spirit of Cartagena - that emerged therefrom,

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33/ Resolution S-18/3, annex.

34/ Resolution 45/199, annex.

35/ Resolution 46/151, annex, sect. II.

36/ Report of the Second United Nations Conference on the Least Developed Countries, Paris, 3-14 September 1990 (A/CONF.147/18), part one.

37/ See Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992 (A/CONF.151/26), vols, I, II and Corr.1, and III.

38/ See resolutions 2904 (XXVII), 31/2 A and B and 34/3.

Expressing its deep gratitude to the Government and the people of Colombia for the hospitality extended to the participants at the eighth session of the United Nations Conference on Trade and Development and for the facilities for holding the session,

Noting the importance of follow-up and of keeping under review the implementation of the policies and measures adopted by the United Nations Conference on Trade and Development at its eighth session,

Emphasizing that the concerns of the international community about the current world economic situation, trade and development issues, and the difficulties of many countries in achieving satisfactory rates of development deserve continuing attention, in particular as far as the developing countries are concerned,

Reaffirming, in this context, the need to give priority to problems facing the least developed countries owing to the fragility of their economies and their particular vulnerability to external shocks and natural calamities,

Reiterating that the Uruguay Round of multilateral trade negotiations should result in a substantial and balanced outcome in all areas involved, and expressing concern that those negotiations have not yet been completed but hopeful that they will come to a successful conclusion rapidly, taking into account the specific interest of developing countries,

I

1. Endorses the outcome of the United Nations Conference on Trade and Development at its eighth session, in particular the commitments agreed upon, and emphasizes the importance of the New Partnership for Development, initiated by the Conference at that session, where countries will join actively in cooperative work to address the development challenges of the 1990s, and expresses its political will and responsibility to implement the agreed commitments;

2. Welcomes the far-reaching institutional reform measures adopted by the Conference at its eighth session regarding the functions, intergovernmental machinery, methods of work and substantive orientations of the United Nations Conference on Trade and Development, and agrees that those measures are a valuable contribution to the process of restructuring the economic and social sectors of the United Nations launched by the General Assembly;

3. Reaffirms the important role of the United Nations Conference on Trade and Development, as a principal organ of the General Assembly in the field of trade and development and as the most appropriate focal point within the United Nations proper for the integrated treatment of development and interrelated issues in key areas, including trade, commodities, finance, investment, services and technology, in the interests of all countries, particularly those of developing countries;

4. Welcomes the agreement by the United Nations Conference on Trade and Development to refocus its substantive work on four areas, namely, a new partnership for development, global interdependence, paths to development and sustainable development, which should serve as orientations for developing both fresh approaches to long-standing issues and insights for pursuing relevant new lines of work, acknowledges the efforts that have been made in this respect and encourages further efforts in this regard;

5. Also welcomes the high priority given by the United Nations Conference on Trade and Development to commodities, poverty alleviation, services development, economic cooperation among developing countries, investment and financial flows, privatization, trading opportunities for developing countries, investment and technology transfers, and trade efficiency;

6. Invites all organs, organizations and bodies of the United Nations system to respond positively to the requests addressed to them in the relevant parts of the commitments of the United Nations Conference on Trade and Development at its eighth session;

II

7. Takes note of the reports of the Trade and Development Board on the second part of its thirty-eighth session 39/ and the first part of its thirty-ninth session 40/ and calls upon all States to take appropriate action to implement the outcome of those sessions;

8. Expresses its satisfaction with the action initiated by the Trade and Development Board for the implementation of the new institutional arrangements and of the substantive orientations agreed upon by the United Nations Conference on Trade and Development, and welcomes Trade and Development Board decision 398 (XXXVIII) of 7 May 1992 on the follow-up to the recommendations adopted by the Conference at its eighth session; 41/

9. Takes note of the agreement by the United Nations Conference on Trade and Development at its eighth session to suspend the existing Committees of the Trade and Development Board, with the exception of the Special Committee on Preferences and the Intergovernmental Group of Experts on Restrictive Business Practices;

39/ A/47/15 (vol. I).

40/ A/47/15 (vol. II).

41/ A/47/15 (vol. I), chap. II.

10. Endorses the establishment and the terms of reference of the new standing committees and of the new ad hoc working groups, as contained in Trade and Development Board decision 398 (XXXVIII), as well as the convening of executive sessions of the Board aimed at strengthening its policy function;

11. Takes note of Trade and Development Board decision 399 (XXXIX) of 9 October 1992 on the establishment of an ad hoc working group to explore the issue of structural adjustment for the transition to disarmament; 42/

12. Welcomes the streamlining and strengthening of the intergovernmental machinery of the United Nations Conference on Trade and Development and the improvement of methods of work aimed at providing an enriched substantive and technical basis for the functions of the United Nations Conference on Trade and Development, as agreed at the eighth session of the Conference;

13. Endorses the convening, within existing resources, of a United Nations international symposium on trade efficiency in 1994 of one week's duration, and requests the Secretary-General of the United Nations Conference on Trade and Development to make all the necessary arrangements for that symposium, taking into account the preparatory work of the Ad Hoc Working Group on Trade Efficiency of the United Nations Conference on Trade and Development;

14. Takes note of the valuable contribution made by the Trade and Development Board, underpinned by the Trade and Development Report, 1992, 43/ to the understanding of the international implications of macroeconomic policies and issues concerning global interdependence, with particular reference to the recent evolution of development problems and prospects, and welcomes the outcome of the deliberations of the Board on this matter;

15. Also takes note of the recognition on the part of the United Nations Conference on Trade and Development at its eighth session and of the Trade and Development Board that Governments should consider, as part of fighting protectionism and as appropriate, the establishment of transparent mechanisms at the national level;

III

16. Calls upon the international community to assist in promoting measures necessary for the revitalization of the development process in the developing countries, in pursuit of the objective of revitalizing international trade, sustained economic growth and development;

42/ A/47/15 (vol. II), chap. II, sect. B.8.

43/ United Nations publication, Sales No. E.92.II.D.7.

17. Urges all countries to fulfil their commitments to halt and reverse protectionism and to reach a final agreement on the remaining issues of the Uruguay Round, and reaffirms that the balanced and comprehensive conclusion of the multilateral trade negotiations is crucial and is needed in order to strengthen the rules and disciplines of the international trading system and significantly enhance the prospects for trade, economic growth and development of all countries, especially developing countries.

DRAFT RESOLUTION III

Strengthening international organizations in the area of multilateral trade

The General Assembly,

Reaffirming the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, 33/ and the International Development Strategy for the Fourth United Development Decade, 34/

Recalling its resolutions 45/201 of 21 December 1990 and 46/207 of 20 December 1991,

Welcoming the successful outcome of the eighth session of the United Nations Conference on Trade and Development, in particular the organization's institutional reforms,

Taking note of the progress report by the Secretary-General concerning institutional developments related to the strengthening of international organizations in the area of multilateral trade, 44/

Expressing concern that the current negotiations of the Uruguay Round of multilateral trade negotiations have not yet been completed, but hoping that they will rapidly reach a balanced and substantial conclusion in all areas involved,

1. Once again urges all Governments and the executive heads of the specialized agencies and other organizations and programmes of the United Nations system to endeavour to present their views to the Secretary-General on this matter;

2. Requests the Secretary-General to prepare, for submission to the General Assembly at its forty-eighth session, an updated report taking into account the positive outcome and developments of the eighth session of the United Nations Conference on Trade and Development and the developments in the Uruguay Round of multilateral trade negotiations.

44/ A/47/410.

DRAFT RESOLUTION IV

Commodities

The General Assembly,

Recalling its resolutions 1995 (XIX) of 20 December 1964, as amended, 38/ on the establishment of the United Nations Conference on Trade and Development, 41/168 of 5 December 1986, 43/27 of 18 November 1988, 44/218 of 22 December 1989 and 45/200 of 21 December 1990, as well as United Nations Conference on Trade and Development resolutions 93 (IV) of 30 May 1976 on the Integrated Programme for Commodities, 45/ 124 (V) of 3 June 1979, 46/ and 155 (VI) and 157 (VI) of 2 July 1983, 47/ the Final Act adopted by the Conference at its seventh session, held at Geneva from 9 July to 3 August 1987, 48/ the Agreement Establishing the Common Fund for Commodities, 49/ which entered into force on 19 June 1989, and A New Partnership for Development: The Cartagena Commitment, 32/ adopted by the Conference at its eighth session, held at Cartagena de Indias, Colombia, from 8 to 25 February 1992,

Recalling further the Rio Declaration on Environment and Development, adopted by the United Nations Conference on Environment and Development, held at Rio de Janeiro, Brazil, from 3 to 14 June 1992, 50/ and welcoming the importance attached in Agenda 21 37/ to issues related to commodities in the context of sustainable development,

Recognizing that commodity exports continue to play a key role in the economies of developing countries as a whole, as a major source of export earnings, investment and livelihood, although recognizing also that this role should decrease as diversification expands,

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45/ See Proceedings of the United Nations Conference on Trade and Development, Fourth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.76.II.D.10 and corrigendum), part one, sect. A.

46/ Ibid., Fifth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.79.II.D.14), part one, sect. A.

47/ Ibid., Sixth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.83.II.D.6), part one, sect. A.

48/ Ibid., Seventh Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.88.II.D.1), part one, sect. A.1.

49/ United Nations publication, Sales No. E.81.II.D.8 and corrigendum.

50/ A/CONF.151/26 (vol. I), chap. I, resolution 1, annex I.

Concerned about the difficulties experienced by developing countries in financing and implementing diversification programmes,

Concerned also that the prevalence of declining prices for most commodities contributes to many countries' problems with export earnings,

Recalling the proposal, made by the Government of Colombia at the eighth session of the United Nations Conference on Trade and Development, to consider convening a world conference on commodities which would bring together producers, consumers, marketing enterprises and other market actors and would be organized by the United Nations Conference on Trade and Development, recognizing that such a conference could contribute to shaping a coherent international commodity strategy that would take into account the specific problems of selected commodity sectors, 51/

Welcoming the agreed conclusions establishing the work programme of the Standing Committee on Commodities,

1. Takes note with interest of the report of the Secretary-General of the United Nations Conference on Trade and Development on world commodity trends and prospects, with particular emphasis on commodity-dependent developing countries in the light of the outcome of the eighth session of the United Nations Conference on Trade and Development; 52/

2. Emphasizes the need for developing countries that are heavily dependent on primary commodities to continue to promote a domestic policy and institutional environment that encourages diversification and enhances competitiveness, and stresses the need for international cooperation to effectively complement and support those national efforts and policies, inter alia, by way of creating a more favourable international economic and trading environment;

3. Stresses that the solution to commodity problems calls for sound, compatible and consistent policies at the national and international levels, bearing in mind the broad aims of the Integrated Programme for Commodities;

4. Urges producers and consumers of individual commodities to continue to explore ways and means of reinforcing their cooperation and to consider actively participating in international commodity agreements and arrangements that take into account market trends in order to achieve more efficient international commodity cooperation;

51/ See A/47/398, para. 21.

52/ A/47/398 and Corr.1.

5. Notes the decision taken by the United Nations Conference on Trade and Development at its eighth session to invite the Secretary-General of the United Nations Conference on Trade and Development to hold consultations on the question of a world conference on commodities; 53/

6. Expresses its conviction that supportive international policies, such as the use of commodity exchanges and commodity price risk management instruments, more stable and predictable conditions in commodity trade, and efficient and transparent price setting, all contribute significantly to the efforts of commodity-dependent countries to revitalize their development;

7. Emphasizes the importance of maximizing the contribution of the commodity sector to economic growth and transformation in commodity-dependent developing countries by ensuring that development in the commodity sector contributes effectively to the generation of growth and development in other sectors of the economy, as well as to the eradication of poverty, and, in this context, also stresses the importance of the diversification efforts of commodity-exporting developing countries;

8. Requests the Secretary-General of the United Nations Conference on Trade and Development to identify, on the basis of relevant national experiences, potential developmental linkages between the commodity sector and other sectors of the economy, as well as appropriate actions required at the national and international levels to establish and develop such linkages in the context of an effective diversification policy, and to include them in his report to the General Assembly at its forty-ninth session;

9. Recognises the need to strengthen efforts to analyse shortfalls in the commodity export earnings of developing countries with a view to addressing this problem, and takes note of the decision of the Standing Committee on Commodities that the issue of shortfalls in export earnings and compensatory financing should figure as a specific issue for consideration at its future sessions, in accordance with its terms of reference and work programme;

10. Reiterates once again its conviction that more stable and predictable market conditions for commodities would be conducive to the social and economic development of developing countries and could, inter alia, contribute to the international campaign against illicit production of, trafficking in and abuse of narcotic drugs, thus supporting the efforts undertaken by countries to combat such illicit activities;

11. Emphasizes that, in line with Agenda 21, 37/ sustainable development of the commodity sector may require, inter alia, the reflection of environmental and resource costs in prices, improvements in the market access and competitiveness of natural products from developing countries, with

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53/ See A/47/398, para. 21.

environmental advantages, and improvements in their access to international financial and technical support, including environmentally sound technologies to cope with environmental problems specific to commodity production and processing;

12. Urges once again all the parties involved, especially those developed countries that have not yet done so, to meet their agreed commitments and to work for a balanced, equitable, meaningful and satisfactory outcome to the multilateral trade negotiations within the Uruguay Round so as to ensure that the successful conclusion of the negotiations brings about further expansion and liberalization of trade in commodities, taking into account the special and differential treatment for developing countries, as well as all other principles contained in the Ministerial Declaration on the Uruguay Round; 54/

13. Notes with satisfaction the establishment of the Common Fund for Commodities, urges its full exploitation and notes the hope expressed by member countries of the Fund that further voluntary contributions will be forthcoming;

14. Also notes the desire of the members of the Common Fund that countries, particularly major exporters and consumers of commodities, that have not yet ratified the Agreement Establishing the Common Fund for Commodities 42/ should do so as soon as possible;

15. Decides to include the question of commodities in the agenda of its forty-ninth session.

DRAFT RESOLUTION V

Specific measures in favour of island developing countries

The General Assembly,

Recognizing that, in addition to the general problems facing developing countries, many island developing countries experience handicaps arising from the interplay of such factors as their smallness, remoteness, geographical dispersion, vulnerability to natural disasters, the fragility of their ecosystems, constraints on transport and communications, great distances from market centres, a highly limited internal market, lack of natural resources, weak indigenous technological capacity, the acute problem of obtaining freshwater supplies, heavy dependence on imports and a small number of commodities, depletion of non-renewable resources, migration, particularly of personnel with high-level skills, shortages of administrative personnel and heavy financial burdens,

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54/ See GATT, Focus Newsletter, No. 41, October 1986.

Recognizing also that many of these factors occur concurrently in island developing countries, resulting in economic and social vulnerability and dependence, particularly in those countries which are small and/or geographically dispersed,

Noting that many island developing countries are least developed countries,

Mindful of the fact that island developing countries are facing an international economic environment in the 1990s which may strongly affect their ability to achieve sustainable development, particularly in small island developing countries which have extremely open and volatile economies,

Concerned about the adverse effects on island developing countries of sealevel rise resulting from climate change,

Taking note of Agenda 21, which was adopted by the United Nations Conference on Environment and Development, in particular chapter 17, section G, relating to the sustainable development of small island developing States, 55/

Welcoming the decision to convene a global conference on the sustainable development of small island developing States in 1994,

1. Reaffirms its resolution 45/202 of 21 December 1990 and other relevant resolutions of the General Assembly and of the United Nations Conference on Trade and Development, and calls for their immediate and effective implementation;

2. Expresses its appreciation to States and to organizations and bodies within and outside the United Nations system that have responded to the special needs of island developing countries;

3. Welcomes the initiative of the Secretary-General of the United Nations Conference on Trade and Development in convening a meeting of the Group of Experts on Island Developing Countries in Geneva on 15 and 16 July 1992;

4. Takes note of the report of the Secretary-General on the specific problems and needs of island developing countries; 56/

5. Welcomes the efforts made by island developing countries to adopt policies that address their specific problems, including efforts at regional cooperation and integration, and calls upon those countries to continue to

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55/ See A/CONF.151/26 (vol. II).

56/ A/47/414 and Add.1.

pursue, in accordance with their national objectives, policies and priorities, further measures to increase their international competitiveness, to render their economies less vulnerable by developing the capacity to respond to shocks due to natural disasters and external economic changes, and to promote sustainable development;

6. Appeals to the international community:

(a) To maintain and, if possible, increase the level of concessional financial and technical assistance provided to island developing countries;

(b) To optimize access of island developing countries to concessional financial and technical assistance by taking into account, inter alia, the specific development needs and problems facing those countries;

(c) To consider reviewing the mechanisms of existing procedures used in providing concessional resources to island developing countries, taking into account their situations and development potential;

(d) To ensure that assistance conforms to the national and, as appropriate, regional prioriti of island developing countries;

(e) To provide support to island developing countries over a mutually agreed and, where appropriate, longer time-frame to enable them to achieve economic growth and development;

(f) To consider improving trade and/or other existing arrangements for assisting island developing countries in redressing adverse effects on their export earnings and to consider wider adoption of such arrangements;

(g) To continue to ensure that a concerted effort is made to assist island developing countries, at their request, in improving their institutional and administrative capacities and in satisfying their overall needs with regard to the development of human resources;

(h) To provide assistance, where appropriate, to island developing countries to mitigate the consequences of climate change and sealevel rise;

7. Invites island developing countries to intensify further their regional and subregional cooperative arrangements, particularly to address the problem of high-cost economies, by developing, where appropriate, common services to reduce the high per capita costs of infrastructure and public services and by developing regional transport and communications systems;

8. Urges once again relevant organizations of the United Nations system to take adequate measures to respond positively to the particular needs of island developing countries and continue to report on such measures through the United Nations Conference on Trade and Development, as appropriate;

9. Urges the United Nations Conference on Trade and Development to strengthen its role within its mandate as the focal point for specific action at the global level in favour of island developing countries and to act as a catalyst in this regard, inter alia, by organizing and facilitating the cross-regional interchange of information and experience in full cooperation with regional and subregional organizations, both within and outside the United Nations system, as appropriate;

10. Requests the Secretary-General, taking into account work already done on this issue, as well as that provided for in the context of the preparation for and follow-up to the global conference on the sustainable development of small island developing States, to continue to monitor and review in a coordinated manner, inter alia, within the Inter-Agency Committee on Sustainable Development and the secretariats of the Commission on Sustainable Development and the United Nations Conference on Trade and Development, the problems of island developing countries, in particular those of small island developing countries;

11. Also requests the Secretary-General to submit a report to the General Assembly at its forty-ninth session on the implementation of the present resolution.

DRAFT RESOLUTION VI

Integration of the economies in transition into the world economy

The General Assembly,

Reaffirming its resolutions S-18/3 of 1 May 1990, the annex to which contains the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, and 45/199 of 21 December 1990, the annex to which contains the International Development Strategy for the Fourth United Nations Development Decade, as well as recalling the Cartagena Commitment, adopted by the United Nations Conference on Trade and Development at its eighth session, 32/ and Agenda 21, adopted by the United Nations Conference on Environment and Development, 37/

Aware of the fundamental changes taking place in the countries that are transforming their economies from centrally planned to market-oriented ones, and of the problems they are facing in this regard,

Taking note of the World Economic Survey, 1992, 57/

57/ United Nations publication, Sales No. E.92.II.C.1 and corrigenda.

1. Recognizes that the full integration of the economies in transition into the world economy should have a positive impact on world trade, economic growth and development, including that of the developing countries;

2. Further recognizes the need for the international community to support the successful process of bringing about economic reforms and restructuring in the economies in transition with due regard to the developing countries among them, without adversely affecting development assistance to other developing countries;

3. Requests the Secretary-General to coordinate and strengthen the ability of the United Nations system to conduct analytical and policy advice activities regarding changes that take place in the economies in transition as they integrate into the world economy;

4. Requests the Secretary-General therefore to prepare within existing resources, with the full cooperation of the relevant organizations and bodies of the United Nations system, including the World Bank and the International Monetary Fund, a report on the role of the United Nations system in addressing problems facing the economies in transition, including the difficulties that the economies in transition are encountering in their integration into the world economy, and to submit the report to the General Assembly at its forty-eighth session;

5. Decides to include in the agenda of its forty-eighth session a sub-item entitled "Integration of the economies in transition into the world economy" under the item entitled "Development and international economic cooperation".

* * *

43. The Second Committee also recommends to the General Assembly the adoption of the following draft decision:

Programmes of the United Nations Conference on Trade and Development for the Palestinian people

The General Assembly decides:

(a) To request the United Nations Conference on Trade and Development to sustain its programme for the Palestinian people in its current form in close cooperation with the Palestine Liberation Organization;

(b) To urge that Conference staff and experts be given access to the occupied Palestinian territory;

(c) To invite the Trade and Development Board to consider making appropriate reporting arrangements to enable them to be informed by the Secretary-General of the United Nations Conference on Trade and Development on the progress made in the implementation of the present decision.